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SUBJECT: USAID TSUNAMI RECONSTRUCTION PROGRAM IN SRI LANKA
SUCCESSFULLY ENDS ON HIGH NOTE

Summary

¶1. USAID /Sri Lanka has completed all projects related to the tsunami disaster of 2004, and funds of \$134.6 million have been fully expended. The initial response to the tsunami during the first few months immediately following the disaster focused on emergency relief, providing basic necessities in communities across the South and the East. To help communities return to normalcy, USAID later funded small grants to open small businesses and put people back to work. Small-scale infrastructure projects improved the quality of life for communities and created economic opportunities focused on providing more immediate results. Large infrastructure projects, including nine vocational training centers and the Arugam Bay Bridge, will have a lasting economic and social impact on the country. Woven throughout these efforts was USAID's strong commitment to working with local communities by encouraging their participation in all aspects of the projects. Finally, while the immediate objective was to restore tsunami-affected communities, USAID also endeavored to bring together the three ethnic communities (Sinhalese, Tamil, and Muslim) in the East, in an effort to build better understanding and cooperation amongst the groups. End Summary.

Background

¶2. On December 26, 2004, a tsunami caused tremendous destruction to coastal communities across thousands of miles in South Asia. In Sri Lanka, 30,000 people were left dead, almost 4,000 were missing, and nearly 800,000 were displaced and left without basic shelter, food, and water. Coastal regions of the South and East were affected, while the North and much of the West were untouched.

¶3. An outpouring of assistance from international NGOs and donors, together with that of the Government of Sri Lanka and domestic NGOs, addressed the immediate emergency needs of affected populations. Once emergency needs were met, the focus shifted to reconstruction and community building activities. USAID was given a budget of \$134.6 million in relief and reconstruction assistance for Sri Lanka.

Activities: Relief (\$40.6 million)

¶4. USAID provided \$40.6 million in emergency relief to help communities deal with the immediate aftermath of the disaster. USAID distributed 553 rain water harvesting tanks and 312 latrines; constructed 24 dug wells and 13 tube wells to improve local sanitation conditions; and conducted two workshops for government health officials on hygiene, water quality testing, and food

quality. Consistent with USAID/Sri Lanka's commitment to working collaboratively with local communities, USAID surveyed local populations on hygiene and sanitation, and then trained skilled laborers on proper construction techniques and the local community on personal hygiene and sanitation. Using funding from USAID, UNICEF constructed 15 water treatment plants that benefited 550 families living in permanent shelters. USAID funding also helped to build capacity within the Auditor General's Department to handle the large influx of international funds that Sri Lanka received for rehabilitation and reconstruction activities, while limiting the opportunities for corruption.

15. Recognizing that long-standing animosity between the three ethnic communities has been an impediment to building a more stable and prosperous Sri Lanka, USAID sought innovative ways to encourage the communities to work together during this rebuilding process. USAID mobilized more than 4,600 volunteers in the cross-cultural Sri Lankan tradition of 'shramadana,' in support of livelihoods-related projects that helped tsunami-affected communities to build back better. This included an estimated 1,500 volunteers, many of them youth, who supported activities that kick-started traditional agriculture-based livelihoods in adjacent Muslim, Tamil, and Sinhalese communities in an area of the diverse eastern district of Ampara, which has been prone to ethnic conflict.

Activities: Transition from Camps to Communities (\$20.7 million)

16. Realizing that people displaced by the tsunami could not return to their homes until the local community was able to absorb them, USAID focused on short-term activities to help people get back to work quickly. USAID funding restored nearly 2,000 local businesses to operation, and the small grants program trained nearly 4,000 tsunami-affected men and women in a variety of job skills needed in local communities including animal husbandry, desktop publishing, entrepreneurship, information technology, personal finance and credit, and disaster management planning. USAID also built one public market and rehabilitated two others, including the Anuradhapura Junction Market in Trincomalee, a project that united diverse members of a violence-prone section of the northeast seacoast town, leveraging \$350,000 from Hellenic Aid to double the project budget.

Activities: Infrastructure/Small-Scale (\$14.8 million)

17. Funding was used to improve small-scale infrastructure that directly benefited local communities and helped improve economic opportunities. USAID built or rehabilitated nine public markets, 13 libraries, 14 community centers, 31 schools, three bus stands, two health centers, 14 irrigation reservoirs, and 11.5 miles of irrigation canals. USAID focused on creating economic opportunities by constructing or rehabilitating six vocational training centers and 16 community buildings that contributed to the local economy, including a rice mill, a handloom center, and a government agricultural extension center. To further support local economic opportunities, USAID resurfaced more than 35 kilometers of rural roads, connecting agriculture-based communities with larger markets, schools, and health infrastructure.

Activities: Infrastructure/Large Scale (\$47.8 million)

18. To help communities recover from the effects of the tsunami in the short-term and to enable Sri Lanka to meet the challenges of a competitive business environment in the long-term, USAID funded large-scale infrastructure projects that will have a significant impact on communities for many years to come. The Arugam Bay Bridge, destroyed by the tsunami, was rebuilt, linking diverse communities in this coastal area. Nearby, the Ulla/Pottuvil Water Treatment Plant will bring clean drinking water to 40,000 families, businesses, and hotels. Together, these projects make it possible for the area to reclaim its status as a popular tourist destination, helping to revive the local economy. In another effort to spur economic growth, USAID rehabilitated three fishing harbors that were damaged by the tsunami, improving harbor conditions and providing sanitary and attractive locations for customers and fishers alike.

19. Recognizing that economic growth is linked to the availability of a skilled labor force, USAID constructed nine vocational training centers in the South and East. Working with local employers, USAID

helped to create training curricula that will give students the skill set they need to be successful in jobs where skilled workers are in high demand. Training in information technology, apparel, small engine repair, and the construction trades are most popular, with strong demand for graduates in the local areas. USAID was able to leverage nearly \$2.5 million in private sector funds to supplement the funding for the vocational education schools.

¶10. Though the vocational training centers have only recently opened, we are already seeing the impact of our investment in several ways. First, the number of applications received by the vocational training centers is more than four times the available openings, with computer information technology generating the strongest interest from students. In addition, private sector employers in the apparel industry in the East have already indicated their interest in hiring the first graduates from the programs. Finally, two of the vocational training centers were built to a high level of energy efficiency and environmental design standards, significantly reducing operating costs for electricity and water services for those buildings. This has inspired Sri Lanka's largest apparel manufacturer, Brandix Lanka Limited, to construct its new manufacturing complex using these same materials and design elements, earning the company a rare platinum rating for Leadership in Energy and Environmental Design (LEED) certified buildings by the U.S. Green Building Council. Further, the engineers, architects, construction companies, and trades contractors who worked on the two LEED certified vocational training centers now have the training and experience to bring those new skills to future projects. USAID hopes that these construction professionals will transfer this technology to create additional energy efficient and environmentally friendly projects in Sri Lanka, helping the country reduce its overall energy consumption.

Activities: Technical Assistance/Good Governance (\$10.9 million)

¶11. To assist Sri Lanka in addressing a wide range of community issues, USAID funded programs that provided technical assistance to government representatives and trained local people in community-building skills. USAID trained local government officials in a range of needed skills such as participatory planning and disaster management, citizen participation, conflict mitigation, auditing, and accounting techniques to prevent bribery and combat corruption. Local citizens participated in many of the trainings above, as well as community consultations to gather feedback, a national symposium of planning hosted by the central government, and a network of citizen committees aimed at facilitating dialogue between tsunami-affected communities and the local authorities who served them. USAID tracked the effectiveness of these efforts through the Local Authority Development Scale (LADS), a tool designed specifically to measure the capacity of local government in 22 tsunami-affected areas. In 2005, LADS measured local government performance as 20.09 (out of 100); in 2007, performance was measured at 56.26 – suggesting that with support, local governments were better able to meet the needs of their citizens.

Donor Coordination

¶12. USAID ranked number three in Sri Lanka, behind Japan and Germany, for bilateral donor-funded disbursements to tsunami-related programs. In an effort to maximize USG investment and to avoid overlap, USAID was fully engaged in regular donor coordination. USAID regularly participated in several types of meetings (i.e. those that focused on bilateral donors, on all donors, on specific themes) and in joint field monitoring visits. Meetings were based on themes (Eastern development, small-scale infrastructure, etc.) as well as geography (Arugam Bay, Batticaloa, etc.) to identify all potential areas of collaboration.

¶13. Further, this regular networking has proven useful in planning conflict-related responses as we go forward. As USAID shifts focus toward the East in its new development strategy, it will continue to be important that donor agencies work collaboratively to identify opportunities and minimize challenges.

Public-Private Partnerships (PPPs)

¶14. 14. Responding to the tremendous needs of tsunami-affected communities encouraged USAID/Sri Lanka to build relationships with

other funders, both corporate and charitable. Following are the PPPs we have developed under the tsunami programs (\$4,915,011): \$1 million from the Bush Clinton Foundation for playgrounds; \$500,000 from the American Jewish Joint Distribution Committee (AJJDC) for playgrounds; \$1 million from AmeriCares for a water distribution system; \$1,405,011 from Mellon Foundation for vocational education commodities; \$500,000 from Prudential Insurance Company of America for vocational education commodities; \$100,000 from Chevron-Caltex for vocational education commodities; and, \$410,000 from AJJDC for the Hikkaduwa vocational training center.

Comment

¶15. The post-tsunami assistance provided by the U.S. Government has made a tremendous impact, particularly in the areas of livelihoods and infrastructure, and continues to be deeply appreciated by the people and government of Sri Lanka. In communities such as Trincomalee, the capital of the Eastern Province, rebuilt facilities ranging from a market to a playground, from a bus station to a library, are an enduring testimonial of the U.S. Government's support for the people of Sri Lanka in the aftermath of the tsunami.

Blake